

DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

News Release

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**HAWAII'S SEASONALLY ADJUSTED UNEMPLOYMENT RATE  
AT 6.6 PERCENT IN MAY**  
**National Unemployment Rate 9.7 percent**

**HONOLULU-** The Hawai'i State Department of Labor and Industrial Relations announced today that the seasonally adjusted unemployment rate for May was 6.6 percent, a decline of 0.1 percentage point from 6.7 percent in April. Nationally, the seasonally adjusted unemployment rate dropped to 9.7 in May from 9.9 percent in April. There were 595,100 employed and 41,700 unemployed in May, for a total seasonally adjusted labor force of 636,850.

State of Hawai'i Seasonally Adjusted Labor Force Data**			
	<u>May 2010</u>	<u>Apr 2010</u>	<u>May 2009*</u>
Labor Force	636,850	636,600	639,150
Employment	595,100	593,950	595,000
Unemployment	41,700	42,650	44,150

\* benchmarked data

\*\*totals may not add due to rounding

	MAY 2010	APR 2010	MAY* 2009
<b><u>Seasonally Adjusted</u></b>			
<b>STATE</b>	<b>6.6</b>	<b>6.7</b>	<b>6.9</b>
<b>U. S.</b>	<b>9.7</b>	<b>9.9</b>	<b>9.4</b>
<b><u>Not Seasonally Adjusted</u></b>			
<b>STATE</b>	<b>6.3</b>	<b>6.3</b>	<b>6.8</b>
HONOLULU	5.2	5.3	5.7
HAWAI'I COUNTY	9.7	9.5	9.8
KAUA'I	8.5	8.9	9.7
MAUI COUNTY	8.2	8.3	8.7
Maui Island	8.0	8.2	8.5
Moloka'i	12.7	11.8	12.4
Lana'i	5.8	6.0	10.9
<b>U. S.</b>	<b>9.3</b>	<b>9.5</b>	<b>9.1</b>

county & island rates are not seasonally adjusted

\* benchmarked data

The unemployment rate figures for the State of Hawai'i and the U.S. in this release are seasonally adjusted, in accordance with the U.S. Bureau of Labor Statistics (BLS) methodology. The not seasonally adjusted rate for the State remained unchanged at 6.3 percent in May, the same as in April.

### **Industry Payroll Employment (Establishment Survey)**

In another measure of employment, total seasonally adjusted nonagricultural jobs increased by 1,700 or +0.3 percent from 591,100 to 592,800 in May. The industries posting job increases included Construction (+1,200); Other Services (+900); and Leisure and Hospitality (+100). Educational and Health Services remained unchanged. The sectors reporting job decreases were Financial Activities and Professional and Business Services (-100 each); and Trade, Transportation, and Utilities (-400). Government fell slightly mainly in State Government. Over-the-year, from May 2009, the seasonally adjusted job count grew by 400 jobs or +0.1 percent.

The sectors registering job increases were Educational and Health Services (+2,700) and Leisure and Hospitality (+2,100).

<b>Seasonally Adjusted Non-Ag. Jobs (Statewide)</b>			
<b>SELECTED SERIES:</b>	<b>May-10</b>	<b>Apr-10</b>	<b>May-09*</b>
MINING, LOGGING AND AND CONSTRUCTION	30,700	29,500	32,000
TRADE, TRANSPORTATION & UTILITIES	111,500	111,900	111,000
Wholesale Trade	17,400	17,300	17,900
Retail Trade	67,200	67,500	66,200
FINANCIAL ACTIVITIES	27,400	27,500	27,900
Real Estate & Rental & Leasing	11,600	11,500	11,500
PROFESSIONAL & BUSINESS SERVICES	68,400	68,500	71,500
Professional, Scientific, Tech Svcs	23,800	23,700	24,600
EDUCATIONAL & HEALTH SERVICES	77,000	77,000	74,300
Educational Services	15,800	15,900	14,500
Health Care & Social Assistance	61,200	61,100	59,800
LEISURE & HOSPITALITY	102,700	102,600	100,600
Arts, Entertainment & Recreation	10,200	10,300	10,600
Accommodation & Food Services	92,500	92,300	90,000
OTHER SERVICES	26,600	25,700	25,700
GOVERNMENT	126,100	126,400	126,800
Federal Government	36,500	34,700	33,300
State Government	71,300	73,200	74,800
Local Government	18,300	18,500	18,700
<b>TOTAL: STATEWIDE</b>	<b>592,800</b>	<b>591,100</b>	<b>592,400</b>

\* Benchmarked Data

#### ❖ **Construction (+1,200)**

Construction expanded by a notable 1,200 job growth after posting a drop by the same amount a month earlier exhibiting the industry's volatility. Job expansions were registered in site preparation contractors; building finishing contractors; foundation, structure, and building exterior contractors in special trade contractors. Jobs also trended up in both residential building construction; and nonresidential building construction in construction of buildings. Over-the-year from May 2009, jobs contracted by 1,300 jobs or -4.1 percent partially due to the delay in construction projects resulting from the economic downturn.

#### ❖ **Other Services(+900)**

This miscellaneous group rose by a moderate 900 job gain, growing for the third straight month. Jobs trended upward in various entities such as grantmaking and giving services; automotive and repair and maintenance; personal care services; and civic and social organizations.

❖ **Leisure and Hospitality (+100)**

Leisure and Hospitality registered a minimal 100 job increase rising for the fourth month in a row. Arts, Entertainment, and Recreation trimmed by 100 in performance arts, spectator sports, and related industries. Accommodation and Food Services improved by 200 jobs, majority of which were in Food Services in snack and nonalcoholic beverage bars and drinking places including alcoholic beverages.

❖ **Educational and Health Services (No Change)**

This major industrial group remained relatively stable followed by a three month increase. Educational Services trended down by 100 jobs in elementary and secondary schools. Meanwhile, Health Care and Social Assistance trended up by 100 jobs in hospitals and nursing and residential care facilities.

❖ **Financial Activities (-100)**

This industry fell by a nominal 100 jobs, slipping for the third consecutive month. Real Estate, Rental, and Leasing edged up by 100 jobs in commercial and industrial machinery and equipment rental and leasing. Finance and Insurance edged down by 200 jobs in different entities including agencies, brokerages, and other insurance related activities; mortgage and nonmortgage loans; and depository credit intermediation.

❖ **Professional and Business Services (-100)**

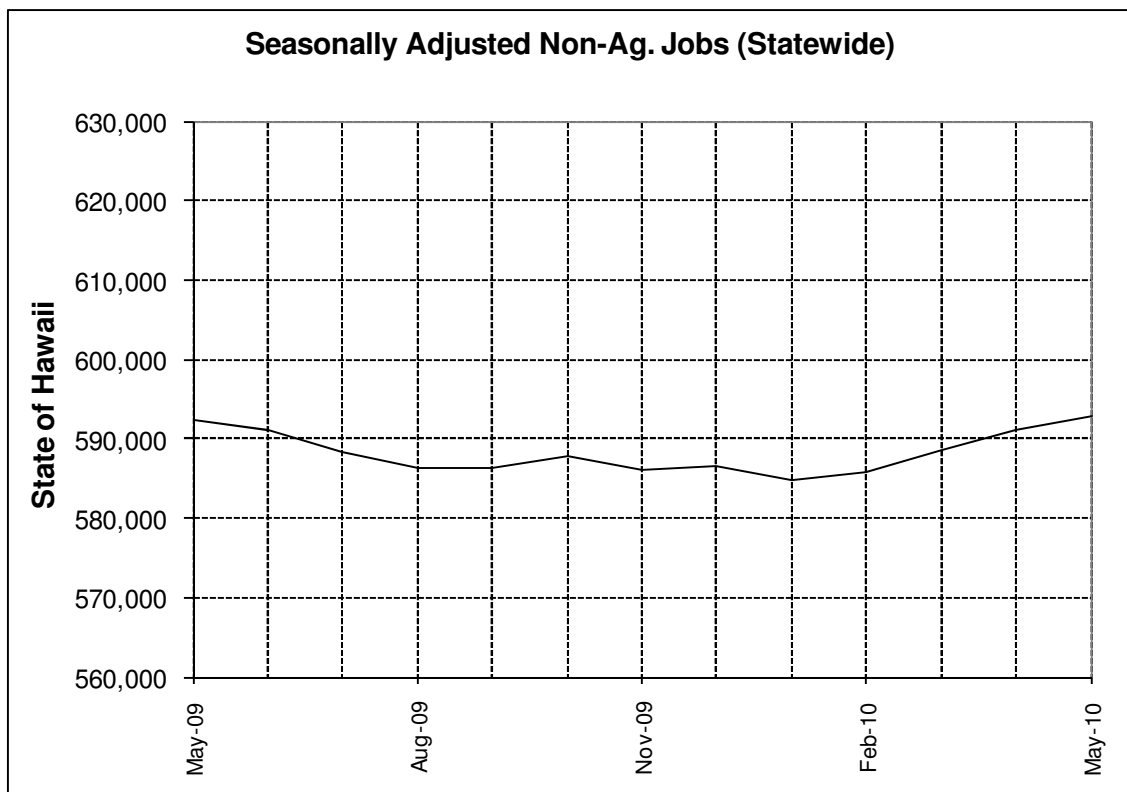
This group slipped by a modest 100 jobs, after remaining constant the month before. Professional, Scientific, and Technical services inched up slightly by 100 jobs in marketing research and public opinion polling. Administrative and Support and Waste Management and Remediation Services attributed to the remaining 200 job drop in business support services; and packaging and labeling services.

❖ **Trade, Transportation, & Utilities (-400)**

This major industrial series declined by a minimal 400 jobs followed by two consecutive months of job growth. Wholesale Trade trended up by 100 jobs in petroleum and petroleum products merchant wholesalers. Retail Trade comprised the 300 job drop in gasoline stations; food and beverage stores; and motor vehicle and parts dealers.

❖ **Government (-300)**

Government dropped by 300 jobs from April. Federal Government expanded by a notable 1,800 jobs predominantly due to the expected hiring of more temporary census employees. This was offset by the recorded 1,900 job loss in State Government, most of which were in the Department of Education as it continues its year round calendar session. Meanwhile, Local Government registered a 200 job drop.



Technical Notes

**Seasonal Adjustment**

The seasonal fluctuations in the number of employed and unemployed persons reflect hiring (and layoffs) patterns that accompany regular events such as the winter holiday season and the

summer vacation season. These variations make it difficult to tell whether month-to-month changes in employment and unemployment are due to normal seasonal patterns or to changing economic conditions. To deal with such problems, a statistical technique called seasonal adjustment is used. This technique uses the past history of the series to identify the seasonal movements and to calculate the size and direction of these movements. A seasonal adjustment factor is then developed and applied to the estimates to eliminate the effects of regular seasonal fluctuations on the data. When a statistical series has been seasonally adjusted, data for any month can be more meaningfully compared with data from any other month or with an annual average.

### **Current Population (Household) Survey (CPS)**

The labor force statistics are derived from a survey based on the week including the 12<sup>th</sup> of each month of Hawai'i residents with a sample size of about 1,000 households. A series of questions are asked to assess whether a person is currently part of the labor force, and if so, what is their current employment status. Employed persons consist of: 1) all persons who did any work for pay or profit during the survey reference week, 2) all persons who did at least 15 hours of unpaid work in a family-owned enterprise operated by someone in their household, and 3) all persons who were temporarily absent from their regular jobs, whether they were paid or not. Persons are classified as unemployed if they do not have a job, have actively looked for work in the prior four weeks, and are currently available for work. Workers expecting to be recalled from layoff are counted as unemployed, whether or not they have engaged in a specific job seeking activity. Persons not in the labor force are those who are not classified as employed or unemployed during the survey reference week.

### **Changes to Local Area Unemployment Statistics Data**

The 2009 labor force estimates have been revised to incorporate updated inputs, updated population controls, re-estimation of models, and adjustment to new division and national control totals. The updated population controls reflect the annual updating of population estimates by the U.S. Census Bureau.

In addition, the Local Area Unemployment Statistics program has introduced a long-run trend smoothing procedure to its seasonally adjusted data series back to January 1976. The smoothing procedure reduces month-to-month volatility in the estimates and addresses long-standing disconnection issues related to end-of-year revisions that will enhance the analytical capability of the estimates. For more information about this topic, please see the questions and answers on the Bureau of Labor Statistics website at [www.bls.gov/lau/lassaqa.htm](http://www.bls.gov/lau/lassaqa.htm).